

Message Text

PAGE 01 STATE 117740
ORIGIN EB-07

INFO OCT-01 AF-10 ARA-10 EUR-12 EA-09 NEA-10 IO-13
ISO-00 TRSE-00 COME-00 STR-04 SIG-02 GSA-02 INT-05
L-03 SP-02 USIA-15 AID-05 NSC-05 EPG-02 SS-15
OMB-01 CEA-01 H-02 CIAE-00 INR-07 NSAE-00 PRS-01
/144 R

DRAFTED BY TREAS/FAC:SSOMMERFIELD:EB/OT/STA:TO:HERRON:LPP
APPROVED BY EB/OT/STA:JSSPIRO
B/ITP/EWT:SGOODMAN
EB/ITP:WGBARRACLOUGH
A/J:DSMITH EUR/SOV:JCOLBERT
EUR/RPE:ECASEY
F/S:JDAVIDOW
STR:RHEIMLICH (SUBS)
OMM:WKAESTNER(INFO)
TREAS:JRAY (SUBS)

-----220003Z 126319 /62

R 211303Z MAY 77
FM SECSTATE WASHDC
TO AMEMBASSY ANKARA
AMEMBASSY BELGRADE
AMEMBASSY BONN
AMEMBASSY BRASILIA
AMEMBASSY BRUSSELS
AMEMBASSY HELSINKI
AMEMBASSY LONDON
AMEMBASSY LUXEMBOURG
AMEMBASSY NEW DELHI
AMEMBASSY OTTAWA
AMEMBASSY OSLO
AMEMBASSY PARIS
AMEMBASSY ROME
AMEMBASSY SEOUL
AMEMBASSY STOCKHOLM
AMEMBASSY TOKYO
UNCLASSIFIED

PAGE 02 STATE 117740

AMEMBASSY VIENNA
USMISSION EC BRUSSELS
AMEMBASSY MOSCOW
INFO AMEMBASSY BERN
USMISSION GENEVA
AMEMBASSY PRETORIA
USMISSION OECD PARIS
AMCONSUL CAPE TOWN

UNCLAS STATE 117740

CAPE TOWN FOR EMB

E.O. 11652:N/A

TAGS:ETRD

SUBJECT:RHODESIAN CHROME: CERTIFICATION AGREEMENTS

REF: STATE 104097

1. THE TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL (FAC) HAS TRANSMITTED A PROPOSED CERTIFICATION AGREEMENT GOVERNING THE IMPORTATION INTO THE UNITED STATES OF CHROMIUM, FERROCHROMIUM, AND STEEL MILL PRODUCTS CONTAINING MORE THAN THREE PERCENT CHROMIUM TO THE WASHINGTON EMBASSIES OF EACH ACTION ADDRESSEE GOVERNMENT (EXCEPT MOSCOW LUXEMBOURG). THIS PROPOSED AGREEMENT SHOULD SERVE AS THE BASIS FOR DISCUSSIONS WITH EACH GOVERNMENT. IN ADDITION, FAC DEVISED A SOMEWHAT SIMPLER ALTERNATIVE PROCEDURE FOR THOSE COUNTRIES WHICH PREFER TO ESTABLISH IMPORT CONTROLS SIMILAR TO THOSE IMPOSED AT U.S. PORTS TO PREVENT ENTRY OF RHODESIAN CHROMIUM. THE PROCEDURES ELIMINATE THE NEED FOR INDIVIDUAL CONTROLS AT THE MILL LEVEL. THESE NEW PROCEDURES HAVE BEEN TRANSMITTED INFORMALLY TO THE EMBASSIES.

UNCLASSIFIED

PAGE 03 STATE 117740

2. TREASURY'S APPROACH TO CERTIFICATION IS SIMILAR TO THAT USED IN PAST TO PREVENT IMPORT INTO U.S. OF

PROHIBITED ARTICLES FROM CUBA, PRC, AND OTHERS IN THIS CASE, TREASURY WILL REQUIRE THAT CERTIFICATES OF ORIGIN, ISSUED BY A GOVERNMENT OR GOVERNMENT-AUTHORIZED BODY, ACCOMPANY EACH SHIPMENT TO THE U.S. OF FERROCHROMIUM AND SPECIALTY STEEL PRODUCTS CONTAINING CHROMIUM. CERTIFICATES OF ORIGIN WILL BE ACCEPTED AS PROOF THAT SHIPMENT DOES NOT CONTAIN MATERIAL OF RHODESIAN ORIGIN, PROVIDED THAT EXPORTING COUNTRY AGREES TO FOLLOWING PROCEDURES:

A. RE CHROME ORE: CHROME ORE SHIPPED TO U.S. DOES NOT REQUIRE CERTIFICATION. ORE NEED ONLY BE SHIPPED DIRECTLY OR ON A THROUGH BILL OF LADING FROM PRODUCING COUNTRY. IN CASE OF ORE FROM SOUTH AFRICA, TREASURY WILL CONDUCT APPROPRIATE TESTING TO ENSURE IT IS NOT OF RHODESIAN ORIGIN.

B. RE FERROCHROMIUM: COUNTRY WILL MAKE FERROCHROMIUM ONLY FROM DOMESTIC CHROME ORE OR FROM ORE IMPORTED FROM A PRODUCING COUNTRY DIRECTLY OR ON A THROUGH BILL OF LADING FROM SUCH COUNTRY, AND WILL TEST ORE IMPORTED FROM SOUTH AFRICA TO ENSURE THAT IT IS NOT OF RHODESIAN ORIGIN.

C. RE SPECIALTY STEELS CONTAINING CHROME: COUNTRY WILL IMPORT FERROCHROMIUM ONLY FROM COUNTRIES WHICH HAVE AGREED TO PROCEDURE ALONG LINES SET OUT ABOVE, PLUS SOUTH AFRICA, PROVIDED IT TESTS FERROCHROME IMPORTS FROM SOUTH AFRICA TO CHECK ORIGIN.

3. DETAILS OF CERTIFICATION PROCEDURES ARE SUBJECT TO NEGOTIATION. RECOGNIZING THAT THE SPECIFIC PROCEDURES MAY VARY FROM COUNTRY TO COUNTRY, FAC INVITES SUCH CONSULTATIONS IN WASHINGTON AS MAY BE NECESSARY WITH REPRESENTATIVES OF EACH GOVERNMENT ON THE PRECISE TERMS OF EACH AGREEMENT. SUCH REPRESENTATIVES SHOULD CONTACT
UNCLASSIFIED

PAGE 04 STATE 117740

STANLEY SOMMERFIELD, DIRECTOR, FAC, DEPARTMENT OF THE TREASURY.

4. YOU SHOULD INFORM YOUR HOST GOVERNMENT THAT IN ORDER TO FACILITATE FREE FLOW OF TRADE IN THESE MATERIALS AFTER JUNE 18, APPROPRIATE CERTIFICATION AGREEMENTS SHOULD BE NEGOTIATED PROMPTLY. ACCORDINGLY, YOU SHOULD APPROACH HOST GOVERNMENT SOONEST, SUGGESTING THAT IF IT HAS NOT ALREADY DONE SO, IT INSTRUCT ITS REPRESENTATIVES IN WASHINGTON TO NEGOTIATE PERMANENT CERTIFICATION ARRANGEMENTS. MISSION IN EC MEMBER STATES AND USEC NEED NOT MAKE THIS DEMARCHE AS EC MISSION IN WASHINGTON IS ALREADY IN TOUCH WITH TREASURY.

5. SPECIALTY STEEL IMPORTS NOW HELD IN U.S. IN BOND

BECAUSE EXPORTER COUNTRIES' QUOTA ALLOCATIONS HAVE BEEN FILLED WILL BE ALLOWED ENTRY WITHOUT CERTIFICATION WHEN NEW QUOTA PERIOD OPENS JUNE 14 IF IMPORTER CAN PROVIDE EVIDENCE THAT (A) IT WAS IN TRANSIT TO U.S. BY MARCH 18 (E.G., A BILL OF LADING HAD BEEN ISSUED, OR THE PRODUCING MILL ATTESTS THAT THE GOODS WERE IN INVENTORY ON MARCH 18 FOR SHIPMENT TO THE UNITED STATES), REGARDLESS OF DATE OF ARRIVAL IN U.S.; OR (B) IF SHIPPED AFTER MARCH 18, IT CAME FROM A COUNTRY WHOSE GOVERNMENT HAS ISSUED A CERTIFICATE FOR THE SHIPMENT, CERTIFYING THAT, UNDER ITS LAWS ENFORCING UN SANCTIONS, THE SHIPMENT DOES NOT CONTAIN ANY CHROME OF RHODESIAN ORIGIN.

6. FOR USEC: WE UNDERSTAND EC COMMISSION SEES NO POSSIBILITY OF ENTERING INTO NEGOTIATIONS UNTIL MAY 31 OWING TO NEED TO GAIN APPROVAL OF 113 COMMITTEE WHICH WILL NOT MEET UNTIL FRIDAY, MAY 27. YOU MAY INFORM COMMISSION THAT JAPANESE PLAN TO COME TO WASHINGTON FOR NEGOTIATIONS ON THIS ISSUE THE WEEK OF MAY 23.

UNCLASSIFIED

PAGE 05 STATE 117740

7. FOR PARIS: RE YOUR 13742. MINISTER OF INDUSTRY'S LETTER TO TREASURY WILL BE ADEQUATE ASSURANCE UNTIL JUNE 18 BUT INDIVIDUAL CERTIFICATES (AS PER ABOVE) WILL BE REQUIRED TO BE FILED WITH CUSTOMS FOR EACH SHIPMENT. SAMPLE FRENCH CERTIFICATE MAILED TO TREASURY BY FRENCH BUREAU OF MINES ON MAY 13 IS SATISFACTORY FORM FOR THIS PURPOSE. HOWEVER, PERMANENT CERTIFICATION PROCEDURES MUST BE NEGOTIATED, AS SET OUT ABOVE. IF EC REACHES AGREEMENT FOR PERMANENT CERTIFICATION PRIOR TO JUNE 18, SOFREM SHIPMENT MENTIONED YOUR PARA 3 WILL NOT HAVE ENTRY PROBLEM. RE YOUR PARA 5, TEXT OF U.S. LAW WAS CABLED IN STATE 111017 MAY 15. TREASURY REGULATIONS BEING POUCHED.

8. FOR MADRID. RE YOUR 3691: MINISTRY OF COMMERCE NOTE TO FAC IS ADEQUATE INTERIM ASSURANCE (SEE PARA 7). DEFINITIVE CERTIFICATION PROCEDURE MUST BE AS SPECIFIED ABOVE. IF BILBAO CHAMBER OF COMMERCE IS AN OFFICIAL OR QUASI-OFFICIAL BODY WITH GOVERNMENT AUTHORITY, AS ARE CHAMBERS OF COMMERCE IN FRG AND AUSTRIA, IT MAY ISSUE CERTIFICATIONS.

9. FOR LUXEMBOURG. RE YOUR 356: TREATMENT OF CHROME ORE AND FERROCHROME SHIPMENTS THROUGH LUXEMBOURG, INCLUDING THOSE FROM USSR, WILL DEPEND ON AGREEMENT BETWEEN TREASURY AND EC. "CERTIFICATION OF ORIGIN" DESCRIBED PARA 1 YOUR TEL WILL NOT BE ADEQUATE. SPECIAL CERTIFICATES APPROVED BY U.S. TREASURY WILL BE REQUIRED AND ARE

EXPECTED TO BE AVAILABLE FROM GOVERNMENTS OF FRANCE, ITALY, AND TURKEY. PRINCIPLE UNDER YING TREASURY APPROACH WILL BE THAT SPECIALTY STEELSMADewith FERROCHROME SPECIALLY CERTIFIED NATIONALLY (OR BY EC) TO BE NOT OF RHODESIAN UNCLASSIFIED

PAGE 06 STATE 117740

ORIGIN, IF PRODUCED IN A COUNTRY WHICH HAS A NATIONAL (OR EC-WIDE) BARRIER TO RHODESIAN CHROME, WILL BE ADMITTED TO THE U.S. IF ACCOMPANIED BY THE NATIONAL (OR EC) SPECIAL CERTIFICATE.

10. FOR LUXEMBOURG: RE PARA 3 YOUR 356: TREASURY HAS NOT INITIATED NEGOTIATIONS WITH USSR ON CHROME CERTIFICATION; U.S. DID NOT IMPORT FERROCHROME FROM USSR IN 1976. ONLY RESTRICTION ON IMPORTS OF CHROME ORE TO ANY PARTY FROM USSR, TURKEY, OR ANY OTHER SOURCE EXCEPT SOUTH AFRICA, WILL BE THAT IMPORT BE MADE DIRECTLY OR ON THROUGH BILL OF LADING. FERROCHROME AND/OR SPECIALTY STEEL MADE FROM CHROME SHIPPED THIS WAY WILL BE ELIGIBLE FOR SPECIAL CERTIFICATE AND FOR ENTRY INTO U.S. RE PARA 4 YOUR 356: (A) PURCHASE FROM A TRADER WHO PROVIDES

HIS OWN CERTIFICATION WILL NOT BE ELIGIBLE FOR SPECIAL
CERTIFICATION FOR ENTRY INTO U.S. (B) SCRAP COMPONENT
OF SPECIALTY STEEL NEED NOT BE CERTIFIED. TREASURY WILL
PERMIT CERTIFICATION OF STEEL PRODUCED WITH SPECIALLY-
CERTIFIED FERROCHROME (OR ORE IMPORTED AS OUTLINED ABOVE)
OR WITH ANY U.S.-ORIGIN COMPONENTS (OR BOTH). (C) SEE
PARA 9 ABOVE; NOTE THAT WAREHOUSING PRESENTS PROBLEM OF
VERIFYING THAT ITEM COVERED BY DOCUMENTATION AS IT LEAVES
WAREHOUSE IS SAME ITEM THAT ENTERED WAREHOUSE.

11. FOR LUXEMBOURG AND MOSCOW.

TREASURY WILL ACCEPT USSR CERTIFICATION
DESCRIBED YOUR TEL PROVIDED USSR CERTIFYING AUTHORITY IS
WILLING TO CERTIFY THAT USSR IMPORTS NO CHROME ORE OR
FERROCHROME FROM ANY COUNTRY, I.E., THAT ITS FERROCHROME
EXPORTS ARE PRODUCED FROM DOMESTIC ORE EXCLUSIVELY,
UNLESS AND UNTIL USG RECEIVES EVIDENCE THAT USSR DOES
IMPORT CHROME ORE. SUGGEST MOSCOW SOUND OUT APPROPRIATE
SOVIET OFFICIALS ON THIS POINT.

UNCLASSIFIED

PAGE 07 STATE 117740

12. FOR TOKYO. YOKIYAMA OF JAPANESE EMBASSY AND
KAWASAKI OF MITI TOLD STATE AND TREASURY FOREIGN ASSETS
CONTROL OFFICE MAY 9 THAT GOJ WISHED TO SEND DELEGATION
TO WASHINGTON WEEK OF MAY 23 TO WORK OUT CERTIFICATION
PROCEDURES. FAC WOULD BE HAPPY TO ACCOMMODATE AND WE URGE
THAT GOJ OFFICIALS ARRIVE WASHINGTON AS SOON AS POSSIBLE.
CERTIFICATE OF ORIGIN, AS DRAFTED BY GOJ, TO BE ISSUED BY
MITI TO COVER IMPORTS UNTIL JUNE 18. TREASURY FORESEES
NO DIFFICULTY WITH RESPECT TO IMPORTS WHICH ARRIVE AFTER
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CLUDED BEFORE THEN. SUCH SHIPMENTS WILL BE ELIGIBLE FOR
EX POST FACTO CERTIFICATION. CHRISTOPHER

UNCLASSIFIED

PAGE 01 STATE 117740
ORIGIN EB-04

INFO OCT-01 ISO-00 /005 R

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DRAFTED BY EB/OT/STA:GWHITE:JH

APPROVED BY EB/OT/STA:JSSPIRO

-----040331Z 066717 /65

R 040030Z JUN 77

FM SECSTATE WASHDC

TO AMEMBASSY CANBERRA

AMEMBASSY MANILA

UNCLAS STATE 117740

FOL RPT STATE 117740 ACTION MADRID 26 MAY 77 QUOTE

UNCLAS STATE 117740

FOL REPEAT STATE 117740 ACTION ANKARA
BELGRADE BONN BRASILIA BRUSSELS HELSINKI LONDON LUXEMBOURG
NEW DELHI OTTAWA OSLO PARIS ROME SEOUL STOCKHOLM TOKYO VIENNA
EC BRUSSELS MOSCOW INFO BERN GENEVA PRETORIA OECD PARIS
CAPE TOWN DTD 21 MAY.

QUOTE

UNCLAS STATE 117740

CAPE TOWN FOR EMB

E.O. 11652:N/A

TAGS:ETRD

SUBJECT:RHODESIAN CHROME: CERTIFICATION AGREEMENTS

UNCLASSIFIED

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B. RE FERROCHROMIUM: COUNTRY WILL MAKE FERROCHROMIUM ONLY UNCLASSIFIED

PAGE 03 STATE 117740

FROM DOMESTIC CHROME ORE OR FROM ORE IMPORTED FROM A PRODUCING COUNTRY DIRECTLY OR ON A THROUGH BILL OF LADING FROM SUCH COUNTRY, AND WILL TEST ORE IMPORTED FROM SOUTH AFRICA TO ENSURE THAT IT IS NOT OF RHODESIAN ORIGIN.

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PAGE 04 STATE 117740

PROVIDE EVIDENCE THAT (A) IT WAS IN TRANSIT TO U.S. BY MARCH 18 (E.G., A BILL OF LADING HAD BEEN ISSUED, OR THE PRODUCING MILL ATTESTS THAT THE GOODS WERE IN INVENTORY ON MARCH 18 FOR SHIPMENT TO THE UNITED STATES), REGARDLESS OF DATE OF ARRIVAL IN U.S.; OR (B) IF SHIPPED AFTER MARCH 18, IT CAME FROM A COUNTRY WHOSE GOVERNMENT HAS ISSUED A CERTIFICATE FOR THE SHIPMENT, CERTIFYING THAT, UNDER ITS LAWS ENFORCING UN SANCTIONS, THE SHIPMENT DOES NOT CONTAIN ANY CHROME OF RHODESIAN ORIGIN.

6. FOR USEC: WE UNDERSTAND EC COMMISSION SEES NO POSSIBILITY OF ENTERING INTO NEGOTIATIONS UNTIL MAY 31 OWING TO NEED TO GAIN APPROVAL OF 113 COMMITTEE WHICH WILL NOT MEET UNTIL FRIDAY, MAY 27. YOU MAY INFORM COMMISSION THAT JAPANESE PLAN TO COME TO WASHINGTON FOR NEGOTIATIONS ON THIS ISSUE THE WEEK OF MAY 23.

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PAGE 05 STATE 117740

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PAGE 06 STATE 117740

CERTIFIED FERROCHROME (OR ORE IMPORTED AS OUTLINED ABOVE) OR WITH ANY U.S.-ORIGIN COMPONENTS (OR BOTH). (C) SEE PARA 9 ABOVE; NOTE THAT WAREHOUSING PRESENTS PROBLEM OF VERIFYING THAT ITEM COVERED BY DOCUMENTATION AS IT LEAVES WAREHOUSE IS SAME ITEM THAT ENTERED WAREHOUSE.

11. FOR LUXEMBOURG AND MOSCOW.

TREASURY WILL ACCEPT USSR CERTIFICATION DESCRIBED YOUR TEL PROVIDED USSR CERTIFYING AUTHORITY IS WILLING TO CERTIFY THAT USSR IMPORTS NO CHROME ORE OR FERROCHROME FROM ANY COUNTRY, I.E., THAT ITS FERROCHROME EXPORTS ARE PRODUCED FROM DOMESTIC ORE EXCLUSIVELY, UNLESS AND UNTIL USG RECEIVES EVIDENCE THAT USSR DOES IMPORT CHROME ORE. SUGGEST MOSCOW SOUND OUT APPROPRIATE SOVIET OFFICIALS ON THIS POINT.

12. FOR TOKYO. YOKIYAMA OF JAPANESE EMBASSY AND KAWASAKI OF MITI TOLD STATE AND TREASURY FOREIGN ASSETS CONTROL OFFICE MAY 9 THAT GOJ WISHED TO SEND DELEGATION TO WASHINGTON WEEK OF MAY 23 TO WORK OUT CERTIFICATION PROCEDURES. FAC WOULD BE HAPPY TO ACCOMMODATE AND WE URGE THAT GOJ OFFICIALS ARRIVE WASHINGTON AS SOON AS POSSIBLE. CERTIFICATE OF ORIGIN, AS DRAFTED BY GOJ, TO BE ISSUED BY MITI TO COVER IMPORTS UNTIL JUNE 18. TREASURY FORESEES NO DIFFICULTY WITH RESPECT TO IMPORTS WHICH ARRIVE AFTER JUNE 18 IF SATISFACTORY CERTIFICATION AGREEMENT IS CONCLUDED BEFORE THEN. SUCH SHIPMENTS WILL BE ELIGIBLE FOR EX POST FACTO CERTIFICATION. CHRISTOPHER

UNQUOTE VANCE

UNQUOTE CHRISTOPHER

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PAGE 01 STATE 117740

ORIGIN EB-03

INFO OCT-01 ISO-00 /004 R

66011

DRAFTED BY EB/OT/STA:GWHITE:JH

APPROVED BY EB/OT/STA:JSSPIRO

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R 260315Z MAY 77

FM SECSTATE WASHDC

TO AMEMBASSY MADRID

UNCLAS STATE 117740

FOL REPEAT STATE 117740 ACTION ANKARA

BELGRADE BONN BRASILIA BRUSSELS HELSINKI LONDON LUXEMBOURG

NEW DELHI OTTAWA OSLO PARIS ROME SEOUL STOCKHOLM TOKYO VIENNA

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CAPE TOWN DTD 21 MAY.

QUOTE

UNCLAS STATE 117740

CAPE TOUN FOR EMB

E.O. 11652:N/A

TAGS:ETRD

SUBJECT:RHODESIAN CHROME: CERTIFICATION AGREEMENTS

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PAGE 02 STATE 117740

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UNCLASSIFIED

PAGE 03 STATE 117740

C. RE SPECIALTY STEELS CONTAINING CHROME: COUNTRY WILL IMPORT FERROCHROMIUM ONLY FROM COUNTRIES WHICH HAVE AGREED TO PROCEDURE ALONG LINES SET OUT ABOVE, PLUS SOUTH AFRICA, PROVIDED IT TESTS FERROCHROME IMPORTS FROM SOUTH AFRICA TO CHECK ORIGIN.

3. DETAILS OF CERTIFICATION PROCEDURES ARE SUBJECT TO NEGOTIATION. RECOGNIZING THAT THE SPECIFIC PROCEDURES MAY VARY FROM COUNTRY TO COUNTRY, FAC INVITES SUCH CONSULTATIONS IN WASHINGTON AS MAY BE NECESSARY WITH REPRESENTATIVES OF EACH GOVERNMENT ON THE PRECISE TERMS OF EACH AGREEMENT. SUCH REPRESENTATIVES SHOULD CONTACT STANLEY SOMMERFIELD, DIRECTOR, FAC, DEPARTMENT OF THE TREASURY.

4. YOU SHOULD INFORM YOUR HOST GOVERNMENT THAT IN ORDER TO FACILITATE FREE FLOW OF TRADE IN THESE MATERIALS AFTER JUNE 18, APPROPRIATE CERTIFICATION AGREEMENTS SHOULD BE NEGOTIATED PROMPTLY. ACCORDINGLY, YOU SHOULD APPROACH

HOST GOVERNMENT SOONEST, SUGGESTING THAT IF IT HAS NOT ALREADY DONE SO, IT INSTRUCT ITS REPRESENTATIVES IN WASHINGTON TO NEGOTIATE PERMANENT CERTIFICATION ARRANGEMENTS. MISSION IN EC MEMBER STATES AND USEC NEED NOT MAKE THIS DEMARCHE AS EC MISSION IN WASHINGTON IS ALREADY IN TOUCH WITH TREASURY.

5. SPECIALTY STEEL IMPORTS NOW HELD IN U.S. IN BOND

BECAUSE EXPORTER COUNTRIES' QUOTA ALLOCATIONS HAVE BEEN FILLED WILL BE ALLOWED ENTRY WITHOUT CERTIFICATION WHEN NEW QUOTA PERIOD OPENS JUNE 14 IF IMPORTER CAN PROVIDE EVIDENCE THAT (A) IT WAS IN TRANSIT TO U.S. BY MARCH 18 (E.G., A BILL OF LADING HAD BEEN ISSUED, OR THE PRODUCING MILL ATTESTS THAT THE GOODS WERE IN INVENTORY ON MARCH 18 FOR SHIPMENT TO THE UNITED STATES), REGARDLESS OF DATE OF ARRIVAL IN U.S.; OR (B) IF SHIPPED AFTER UNCLASSIFIED

PAGE 04 STATE 117740

MARCH 18, IT CAME FROM A COUNTRY WHOSE GOVERNMENT HAS ISSUED A CERTIFICATE FOR THE SHIPMENT, CERTIFYING THAT, UNDER ITS LAWS ENFORCING UN SANCTIONS, THE SHIPMENT DOES NOT CONTAIN ANY CHROME OF RHODESIAN ORIGIN.

6. FOR USEC: WE UNDERSTAND EC COMMISSION SEES NO POSSIBILITY OF ENTERING INTO NEGOTIATIONS UNTIL MAY 31 OWING TO NEED TO GAIN APPROVAL OF 113 COMMITTEE WHICH WILL NOT MEET UNTIL FRIDAY, MAY 27. YOU MAY INFORM COMMISSION THAT JAPANESE PLAN TO COME TO WASHINGTON FOR NEGOTIATIONS ON THIS ISSUE THE WEEK OF MAY 23.

7. FOR PARIS: RE YOUR 13742. MINISTER OF INDUSTRY'S LETTER TO TREASURY WILL BE ADEQUATE ASSURANCE UNTIL JUNE 18 BUT INDIVIDUAL CERTIFICATES (AS PER ABOVE) WILL BE REQUIRED TO BE FILED WITH CUSTOMS FOR EACH SHIPMENT. SAMPLE FRENCH CERTIFICATE MAILED TO TREASURY BY FRENCH BUREAU OF MINES ON MAY 13 IS SATISFACTORY FORM FOR THIS PURPOSE. HOWEVER, PERMANENT CERTIFICATION PROCEDURES MUST BE NEGOTIATED, AS SET OUT ABOVE. IF EC REACHES AGREEMENT FOR PERMANENT CERTIFICATION PRIOR TO JUNE 18, SOFREM SHIPMENT MENTIONED YOUR PARA 3 WILL NOT HAVE ENTRY PROBLEM. RE YOUR PARA 5, TEXT OF U.S. LAW WAS CABLED IN STATE 111017 MAY 15. TREASURY REGULATIONS BEING POUCHED.

8. FOR MADRID. RE YOUR 3691: MINISTRY OF COMMERCE NOTE TO FAC IS ADEQUATE INTERIM ASSURANCE (SEE PARA 7). DEFINITIVE CERTIFICATION PROCEDURE MUST BE AS SPECIFIED ABOVE. IF BILBAO CHAMBER OF COMMERCE IS AN OFFICIAL OR QUASI-OFFICIAL BODY WITH GOVERNMENT AUTHORITY, AS ARE CHAMBERS OF COMMERCE IN FRG AND AUSTRIA, IT MAY ISSUE CERTIFICATIONS.

9. FOR LUXEMBOURG. RE YOUR 356: TREATMENT OF CHROME ORE AND FERROCHROME SHIPMENTS THROUGH LUXEMBOURG, INCLUDING UNCLASSIFIED

PAGE 05 STATE 117740

THOSE FROM USSR, WILL DEPEND ON AGREEMENT BETWEEN TREASURY AND EC. "CERTIFICATION OF ORIGIN" DESCRIBED PARA 1 YOUR TEL WILL NOT BE ADEQUATE. SPECIAL CERTIFICATES APPROVED BY U.S. TREASURY WILL BE REQUIRED AND ARE

EXPECTED TO BE AVAILABLE FROM GOVERNMENTS OF FRANCE, ITALY, AND TURKEY. PRINCIPLE UNDER YING TREASURY APPROACH WILL BE THAT SPECIALTY STEELSMADewith FERROCHROME SPECIALLY CERTIFIED NATIONALLY (OR BY EC) TO BE NOT OF RHODESIAN ORIGIN, IF PRODUCED IN A COUNTRY WHICH HAS A NATIONAL (OR EC-WIDE) BARRIER TO RHODESIAN CHROME, WILL BE ADMITTED TO THE U.S. IF ACCOMPANIED BY THE NATIONAL (OR EC) SPECIAL CERTIFICATE.

10. FOR LUXEMBOURG: RE PARA 3 YOUR 356: TREASURY HAS NOT INITIATED NEGOTIATIONS WITH USSR ON CHROME CERTIFICATION; U.S. DID NOT IMPORT FERROCHROME FROM USSR IN 1976. ONLY RESTRICTION ON IMPORTS OF CHROME ORE TO ANY PARTY FROM USSR, TURKEY, OR ANY OTHER SOURCE EXCEPT SOUTH AFRICA, WILL BE THAT IMPORT BE MADE DIRECTLY OR ON THROUGH BILL OF LADING. FERROCHROME AND/OR SPECIALTY STEEL MADE FROM CHROME SHIPPED THIS WAY WILL BE ELIGIBLE FOR SPECIAL CERTIFICATE AND FOR ENTRY INTO U.S. RE PARA 4 YOUR 356: (A) PURCHASE FROM A TRADER WHO PROVIDES HIS OWN CERTIFICATION WILL NOT BE ELIGIBLE FOR SPECIAL CERTIFICATION FOR ENTRY INTO U.S. (B) SCRAP COMPONENT OF SPECIALTY STEEL NEED NOT BE CERTIFIED. TREASURY WILL PERMIT CERTIFICATION OF STEEL PRODUCED WITH SPECIALLY-CERTIFIED FERROCHROME (OR ORE IMPORTED AS OUTLINED ABOVE) OR WITH ANY U.S.-ORIGIN COMPONENTS (OR BOTH). (C) SEE PARA 9 ABOVE; NOTE THAT WAREHOUSING PRESENTS PROBLEM OF VERIFYING THAT ITEM COVERED BY DOCUMENTATION AS IT LEAVES WAREHOUSE IS SAME ITEM THAT ENTERED WAREHOUSE. UNCLASSIFIED

PAGE 06 STATE 117740

11. FOR LUXEMBOURG AND MOSCOW.

TREASURY WILL ACCEPT USSR CERTIFICATION DESCRIBED YOUR TEL PROVIDED USSR CERTIFYING AUTHORITY IS WILLING TO CERTIFY THAT USSR IMPORTS NO CHROME ORE OR FERROCHROME FROM ANY COUNTRY, I.E., THAT ITS FERROCHROME EXPORTS ARE PRODUCED FROM DOMESTIC ORE EXCLUSIVELY, UNLESS AND UNTIL USG RECEIVES EVIDENCE THAT USSR DOES IMPORT CHROME ORE. SUGGEST MOSCOW SOUND OUT APPROPRIATE SOVIET OFFICIALS ON THIS POINT.

12. FOR TOKYO. YOKIYAMA OF JAPANESE EMBASSY AND
KAWASAKI OF MITI TOLD STATE AND TREASURY FOREIGN ASSETS
CONTROL OFFICE MAY 9 THAT GOJ WISHED TO SEND DELEGATION
TO WASHINGTON WEEK OF MAY 23 TO WORK OUT CERTIFICATION
PROCEDURES. FAC WOULD BE HAPPY TO ACCOMMODATE AND WE URGE
THAT GOJ OFFICIALS ARRIVE WASHINGTON AS SOON AS POSSIBLE.
CERTIFICATE OF ORIGIN, AS DRAFTED BY GOJ, TO BE ISSUED BY
MITI TO COVER IMPORTS UNTIL JUNE 18. TREASURY FORESEES
NO DIFFICULTY WITH RESPECT TO IMPORTS WHICH ARRIVE AFTER
JUNE 18 IF SATISFACTORY CERTIFICATION AGREEMENT IS CON-
CLUDED BEFORE THEN. SUCH SHIPMENTS WILL BE ELIGIBLE FOR
EX POST FACTO CERTIFICATION. CHRISTOPHER

UNQUOTE VANCE

UNCLASSIFIED

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